

HOUSE BILL 772

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CF SB 567

By: **Delegate Griffith (Chair, Joint Committee on Pensions) and Delegates
Aumann, Bates, Branch, Haynes, Heller, James, and Levy**

Introduced and read first time: February 5, 2010

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Noncontributory Former Vested**
3 **Members – Vested Retirement Allowance**

4 FOR the purpose of repealing certain provisions of the State Personnel and Pensions
5 Article that permit certain former members of the State Retirement and
6 Pension System to withdraw certain member contributions plus interest and
7 receive a vested retirement allowance based only on certain employer
8 contributions; and generally relating to vested retirement allowances for
9 noncontributory former members of the State Retirement and Pension System.

10 BY repealing

11 Article – State Personnel and Pensions
12 Section 29–303(h)
13 Annotated Code of Maryland
14 (2009 Replacement Volume and 2009 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – State Personnel and Pensions**

18 29–303.

19 **[(h) (1)]** If a former member who elected a vested allowance requests the
20 return of accumulated contributions before payment of the vested allowance begins,
21 the Board of Trustees shall return the accumulated contributions to the former
22 member.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) (i) Except as provided in subparagraphs (ii) and (iii) of this
2 paragraph, when the former member is eligible to begin receiving a vested allowance,
3 the former member shall receive a pension only.

4 (ii) When accumulated contributions are returned to a former
5 member of the Law Enforcement Officers' Pension System who is subject to the Law
6 Enforcement Officers' Modified Pension Benefit under Title 26, Subtitle 2, Part II of
7 this article, the former member is not entitled to further benefits on account of the
8 former member's previous membership unless the former member purchases the
9 service credit under § 26-307.1 of this article.

10 (iii) When accumulated contributions are returned to a former
11 member of the Employees' Pension System or Teachers' Pension System who is subject
12 to the contributory pension benefit or the Alternate Contributory Pension Selection,
13 the former member is not entitled to further benefits on account of the former
14 member's previous membership unless the former member purchases the service
15 credit under § 23-306.2 of this article.]

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2010.